SCOPE OF WORK

PROGRAM TYPE: Nevada Senior Rx and Disability Rx SERVICE: Coordination of Medicare Part D Premium Benefit

DEFINITION:

Nevada's two-part State Pharmaceutical Assistance Program (SPAP), known as Senior Rx and Disability Rx, is authorized by the State Legislature to pay up to 100% of the low-income benchmark for Nevada on behalf of eligible members who are enrolled in Medicare Part D prescription drug plans and Medicare Advantage plans with prescription drug benefits (herein Medicare Part D prescription drug plans, Medicare Advantage plans and/or Provider shall be individually and/or collectively, as the context may require, be referred to as "Part D plan" or "plan"). The low-income premium benchmark for Nevada is calculated by the Centers for Medicare and Medicaid Services (CMS) and may change during the term of this contract as determined by CMS. To prevent duplication of a similar federal benefit offered to Medicare eligible beneficiaries with low incomes and limited assets, Nevada's benefit is defined as "the low-income benchmark for Nevada minus any amount Medicare is already paying on the Senior Rx or Disability Rx member's behalf."

To calculate the premium due, Nevada Senior Rx and Disability Rx will exchange data with CMS on a monthly basis. The response file from CMS will identify the plans that eligible members have selected and the percentage of the monthly premium paid by Medicare (if any). When the CMS response file is integrated with the Senior Rx and Disability Rx database, the information will be queried in such a way that Excel files are generated for each insurance company that offers a Medicare Part D plan (or plans) in the Nevada region. The files will be formatted to automatically calculate the premium amounts due from Senior Rx and Disability Rx, plus a 90-cent (\$.90) per member per month administrative fee to be paid to Part D plans.

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The role of the Part D plan in the payment process is to either accept the State's calculations or audit the State's Excel file against their own databases to confirm enrollment and premium amounts. If a plan chooses to audit the State's calculations, the plan must report discrepancies within ten (10) working days from receipt to Nevada Senior Rx and Disability Rx utilizing the State's template, for resolution. If no attempt has been made to audit the State's calculations within 30 days, the State will assume the plan agrees with the State's calculations and request an invoice from the Part D plan for the amount of the State's calculations. Not later than 60 days after the original submission of the Excel file, plans must submit a final invoice that has been agreed upon that lists the total premium amount and the total of the administrative fees in addition to the final total due. It will also be assumed that plans which have received a response from the State on the discrepancy report and do not respond to revised State calculations within 30 days of the date of the State's revisions are in final agreement with the stated amounts and request an invoice.

Nevada Senior Rx and Disability Rx will issue one payment combining premium subsidies and administrative fees to each company regardless of the number of Part D plans it may offer in the state. To be paid, plans must submit an invoice that lists the total premium amount and the total of the administrative fees in addition to the final total due. To be eligible for payments, Part D plans must have a signed and executed provider agreement with the State. In exchange for payment, Part D plans must provide Nevada Senior Rx and Disability Rx members with prescription drug coverage within the parameters set forth in the Medicare Modernization Act.

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If a plan's monthly premium is more than Nevada's low-income premium benchmark, the plan may bill the member directly for the excess amount. If, at any time, a member makes a premium payment that includes an amount that should have been paid by Senior Rx or Disability Rx, Part D plans must work with the State to ensure that the member is reimbursed.

ORGANIZATIONS OFFERING MULTIPLE PLANS

The attached provider agreement will include all prescription drug coverage plans offered by the Part D Plan that are federally authorized to offer Part D benefits in Nevada.

Signature:	: Date:	3 of	f 3